

Armenia gears up to take its place in the European Union

The European League for Economic Cooperation held its summer Central Council in Yerevan, the capital of Armenia. The reason why ELEC travelled so far from the heart of Europe, is Armenia's accession last year as ELEC's newest member section. And the reason why Armenia joined ELEC, quickly became obvious on the spot: Armenia shares European values and is deeply committed to a close integration within the European Union.

The Central Council of ELEC took place on June 7th 2013 and was preceded by a series of Round Tables that gave ELEC members and senior Armenian experts the chance to focus on the challenges and constraints of a deeper integration between Armenia and Europe. "Between Armenia and the rest of Europe", corrected Diogo Pinto, secretary general of the European Movement International during an intervention, because according to him and several other speakers, Armenia already is part of Europe. "Armenia is ready. The commitment is there", Armenian businessman and president of ELEC Armenia Raffy Semerdjian said.

Noah's ark

Armenia has a rich and moving history indeed. It bridges Eastern Europe and Western Asia in the Caucasian highlands surrounding the biblical mountain Ararat where Noah's ark is said to have landed after the flood. The Kingdom of Armenia was founded in 782 BC, "so our country is now 2.795 years old", Rafi Semerdjian quipped. In the 301 CE it was the first country to adopt Christianity as its state religion.

From 1922 until the fall of the iron curtain, Armenia was a Soviet republic. It was interesting to hear how Round Table participants from remote regions as Armenia and Lithuania exchanged lessons from a shared experience. "We were in the Soviet Union together", underlined Lithuania's Virginijus Kundrotas. (And another thing ELEC members from Poland, Romania and Armenia had in common: their second language is... Russian). Wojciech Rybowski, secretary general of ELEC Poland, reminded the audience that Poland initiated the EU's Eastern Partnership with 6 former Soviet republics, of which Armenia is one. During the discussions it was stressed that Armenia's closed borders with Turkey and Azerbaijan clash with the regional integration expected from neighboring countries.

The population of today's Armenia is very homogeneous and very pro-European. Viktor Yengibaryan, secretary-general of ELEC Armenia cited figures that say that 80% of Armenians trust the European Union and want the EU to play a bigger role.

The Armenian economy is small but is growing fast. Nerses Karamanukyan, board member of ELEC Armenia, underlined that Armenia's GNP per capita is substantially higher than that of Georgia or Moldavia. 60% of its exports go to the EU (e.g. cut diamonds to Antwerp). From Soviet-times, Armenia kept its specialization in high-tech research and production. For its gas and oil Armenia is still very dependent on imports from Russia.

Nerses Yertsyan said that it took a lot of political courage to privatize and reduce the number of banks after 1991. 22 banks are active now; 75% of bank capital is from non-residents. The Armenian government asked NASDACQ to work out a vast pension reform.

Association Agreement

“At the heart of our efforts for European integration are our common shared values. We are of the same species”, so Zohrab Mnatsakanyan said, Armenian deputy minister for foreign affairs and chief negotiator of the current talks on an Association Agreement between the EU and Armenia that should replace the Partnership and Cooperation Agreement from 1999. The new Association Agreement includes a deep and comprehensive Free Trade Area, which will bring Armenia’s partnership with the EU on the same level as that of Norway and Switzerland. Mnatsakanyan emphasized that it implies that Armenia and the EU open their markets for each other. In Armenia both oligarchs and agriculture producers will have to implement reforms. “The rules of business here will be familiar to yours. Please spread this message in your home countries”, Mnatsakanyan begged.

Ambassador Traian Hristea, head of the EU delegation in Yerevan, said he wants to do everything to bring Armenia as close as possible to the EU. Armenia wants to get out of isolation. An important network such as ELEC could be the EU club that is now lacking to Armenian businessmen.

“Armenia has been a trusted partner”, Bernard Snoy, the international president of ELEC concluded, referring to democracy and human rights. Given its history, culture, values and religion, Armenia is a European country. Armenia’s businessmen should take advantage of the opening of Europe. The EU should not wait with enlargement until every detail is solved; the best help to further stability, democracy and wealth is the perspective to join.

Before the Round Tables and the Central Council started, ELEC and ELEC Armenia gave a press conference on the Yerevan meetings that was well-attended by Armenian newspapers and television. At the end of its meeting, ELEC’s Central Council also drafted a resolution calling for a stronger integration between the EU and Armenia and expressing support for the ongoing negotiations on the Association Agreement.

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